

**Provision of loans in rural  
areas**

1402. SHRI MANOHAR JOSHI: Will the Minister of FINANCE be pleased to state:

(a) the details of the reasons for not providing loans to customers in rural areas in the country by Nationalised Banks, special in Maharashtra;

(b) whether there is wide divergence between deposits and advances in most of the Nationalised Banks in rural areas;

(c) if so, the details thereof and reasons therefor; and

(d) the steps taken by Government to rectify the disparity for the grant of loans/advances to the customers/farmers in rural areas through Nationalised Banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Public Sector Banks are giving loans to people living in rural areas including the State of Maharashtra. The details as on June 2006 are as under:—

(Rs. in crores )

Item	All India	Maharashtra
Deposits	1,72,927	9,108
Advances	98,306	8,679
CD Ratio	56.8	95.2

The Credit Deposit Ratio (CD Ratio) of rural branches in the state of Maharashtra is very high at 95.2% as compared to the National average of 56.8% of Public Sector Banks. The corresponding figure of CD Ratio for the State of Bihar is 34.24% and for Assam, is 47.07% for Nationalised Banks. The CD ratio for rural areas of Nationalised Banks for the State of Andhra Pradesh is more than 100%. The deployment of funds by banks in a particular area depends upon various factors including the entrepreneurship, level of infrastructure, number of bankable projects, credit absorption capacity, etc.

(d) Govt. had set up an expert group to look into the nature and magnitude of the problem of low CD ratio of different states and suggest steps to overcome the same. Accordingly, on the recommendations of the group, the Reserve Bank of India had issued instruction to State Level Bankers Committee and convener banks to set up Special Sub-Committees (SSCs) in districts having CD ratio of less than 40% to prepare Monitorable Action Plans to achieve CD ratio of 60% in a phased manner.

**Public (Assessee) service cell for advisory service on Tax Returns**

1403. SHRI B. K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether despite Government's claim that tax return preparation/ filing procedures have been simplified, the common tax payer needs professional advice of a tax consultant to prepare and file his returns, especially small time traders who are required to pay Service Tax;

(b) whether in the process, a new class of professional have emerged as Tax Return Préparers who undertake Tax Return Preparation and filing for a fee; and

(c) whether Government would consider setting up a public (Assessee) service cell within the IT set up to render free advisory service on tax returns?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) Income-tax return preparation and filing procedures have been simplified. However, in a few cases, a small or medium tax-payer may need trained or professional advice so that various provisions of the law are complied with the due benefits available to the tax-payer are availed of. Service-tax returns remain simple and the Government has not received any reference/feedback that small traders need professional advice of a tax Consultant to prepare and furnish their Service-tax returns.

(b) The Union Government has launched the Tax Return Preparers Scheme (TRPS) to provide free help to small and medium tax-payers in the form of Tax Return Preparers to assist them to filing of their income-